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**COMPARISON OF FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM
WITH PERTINENT PROVISIONS OF THE CIVIL SERVICE RETIREMENT SYSTEM***

(1) Items	(2) CSR	(3) FSR	(4) Section	(5) Comments
A. Coverage.....	Government employees generally, unless temporary, intermittent or subject to another Federal retirement system.	All FSO's, plus non-FSO's who have served as chiefs of mission for an aggregate period of 20 years or more; Foreign Service Staff (FSS) officers and employees with 10 or more years of continuous service in the Foreign Service.	803	Most Staff officers and employees and Foreign Service Reserve officers are presently covered by CSR.
B. Contributions:				
1. Compulsory.....	6½ percent of employee's basic salary. Agency contribution of 6½ percent of employee's basic salary.	6½ percent of employee's basic salary. Agency contribution of 6½ percent of employee's basic salary.	811	FSR same as CSR. Do.
2. Voluntary.....	Maximum 10 percent of total basic salary received since Aug. 1, 1920. Payable in multiples of \$25.	Maximum of 10 percent of total basic salary received since July 1, 1939. Payable in multiples of 1 percent.	-----	Approximately same as CSR.
C. Benefits:				
1. Annuities.....	<i>Annuity.</i> —Based on high 5 average years of salary ½ percent times 5 years, plus ¾ percent times next 5 years, plus 2 percent times all years over 10 years of creditable service. Annuity not to exceed 80 percent of high 5 average salary.	Based on high 5 average years of salary 2 percent times total number years creditable service not to exceed 35 years.	821	CSR provides maximum 80 percent high 5 average. FSR provides maximum 70 percent high 5 average.
2. Reduced annuities.....	Reduced annuity with benefits to widow or widower. Corresponding benefits to each dependent child.	Surviving children, widowers, and dependent widowers may be included as survivor annuitants.	804	FSR provides survivorship benefits comparable to those of CSR.
3. Survivor annuities:				
(a) Married participant....	<i>Basic general formula.</i> —Widow or widower (if survivor annuity elected by retiring employee): ½ of all or whatever portion of earned annuity specified as base. Annuity terminates on death or remarriage.	Widow or widower (if survivor annuity elected by retiring employee): ½ of all or whatever portion of earned annuity specified as base. Annuity terminates only on death of widow or widower.	821	Important difference in the FSR provision is that the annuity of a surviving widow or widower terminates only on death of such survivor.
	Employee's annuity reduced by 2½ percent of 1st \$2,400 of any amount specified as base for survivor benefits plus 10 percent of the amount over \$2,400 up to the full amount of employee's annuity, if specified.	Employee's annuity reduced by 2½ percent of 1st \$2,400 of any amount specified as base for survivor benefits plus 10 percent of the amount over \$2,400 up to the full amount of employee's annuity, if specified.	-----	FSR same as CSR.
	Children: A surviving wife or husband: 40 percent of average salary divided by number of children; \$600; or \$1,800 divided by number of children, whichever is lesser. No surviving wife or husband: ½ average salary divided by number of children; \$720; or \$2,160 divided by number of children, whichever is lesser.	Children: A surviving wife or husband: 40 percent of average salary divided by number of children; \$600; or \$1,800 divided by number of children, whichever is lesser. No surviving wife or husband: ½ average salary divided by number of children; \$720; or \$2,160 divided by number of children, whichever is lesser.	-----	Do
	Children annuities terminate at age 18 (or on recovery from incapacity after 18), marriage or death. On termination of any child's annuity by death, wife or husband's annuity by death,	Children annuities terminate at age 18 (or on recovery from incapacity after 18), marriage or death. On termination of any child's annuity by death, wife or husband's annuity by death,	-----	Do.
			-----	Do.

* INFORMATION TAKEN FROM CHART ENTITLED "COMPARISON OF MAJOR PROPOSED CHANGES IN THE FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM WITH PERTINENT PROVISIONS OF THE CIVIL SERVICE RETIREMENT SYSTEM" APPEARING IN HOUSE OF REPRESENTATIVES REPORTS NOS. 1890 AND 2104, 86TH CONGRESS, 2D SESSION, FOREIGN SERVICE ACT AMENDMENTS OF 1960.

(1) Items	(2) CSR	(3) FSR	(4) Section	(5) Comments
C. Benefits—Continued				
(b) Unmarried participant.	annuities of surviving children are recomputed as though person whose annuity was terminated had not survived deceased employee. Person in whom annuitant has insurable interest (if survivorship and reduced annuity elected): $\frac{1}{2}$ of participant's reduced annuity. Retiring employee's annuity reduced 10 to 40 percent depending on difference between his age and age of person designated to receive survivor annuity. Survivor's annuity continues for life.	annuities of surviving children are recomputed as though person whose annuity was terminated had not survived deceased employee. Designated beneficiary: $\frac{1}{2}$ of participant's reduced annuity. Retiring employee's annuity reduced 10 to 40 percent depending on difference between his age and age of person designated to receive survivor annuity. Survivor's annuity continues for life.	821	FSR does not require that the designated beneficiary have an insurable interest.
4. Death in service: (a) Widow-widower.....	Widow or dependent widower: $\frac{1}{2}$ of participant's earned annuity payable until death or remarriage or until widower becomes capable of self-support.	Widow or dependent widower: $\frac{1}{2}$ of participant's earned annuity payable until death of surviving widow or dependent widower or until dependent widower becomes capable of self-support.	832	FSR provides continuation of widow's annuity until death and allows the survivor to receive the annuity based on at least 20 years of service.
(b) Children:	Children: A surviving wife or husband: 40 percent average salary divided by number of children; \$600; or \$1,800 divided by number of children, whichever is lesser. No surviving wife or husband: $\frac{1}{2}$ average salary divided by number of children; \$720; or \$2,160 divided by the number of children, whichever is lesser.	Children: A surviving wife or husband: 40 percent of average salary divided by number of children; \$600; or \$1,800 divided by number of children, whichever is lesser. No surviving wife or husband: $\frac{1}{2}$ average salary divided by number of children; \$720; or \$2,160 divided by the number of children, whichever is lesser.	832	FSR same as CSR. Do.
5. Disability retirement.....	After 5 years of civilian service: Same as full age and service benefit. (Guaranteed 40 percent of average salary or annuity projected to age 60 whichever is lesser.) Elective survivor benefits based on actual years of service credit.	Excludes from initial 5 years' free credit granted for military service for which no contribution has been made to the fund. Limits amount of extra service credit that can be accredited to a disability annuitant to the difference between his age at the time of retirement and the mandatory retirement age applicable to his class in the Service. Elective survivor benefits based on service credit upon which participant's annuity is computed.	831	FSR same as CSR.
(a) Tax exemption.....	No provision.....	Exempts disability annuity from Federal income tax. Same as civil service.....	51	FSR provides minimum service credit of 20 years or difference between age of participant at time of retirement and mandatory retirement age, whichever is lesser.
(b) Bar to double annuity	If receiving disability compensation under Federal Employees' Compensation Act, Sept. 7, 1918, is not eligible for annuity for same period but not barred from greater benefit of either act. Also is not barred from receiving annuity under this act by reason of own services while receiving concurrently any payment under Federal Employees' Compensation Act by reason of death of some other person. If awarded lump sum under sec. 17 of FEC, amount covering period beyond effective date of annuity must be refunded to U.S. Employees' Compen-		831	FSR provides tax exemptions. FSR same as CSR.

(1) Items	(2) CSR	(3) FSR	(4) Section	(5) Comments
C. Benefits—Continued				
6. Discontinued service retirement.	Commission or be deducted from annuity payments for that purpose. Deferred annuity payable at age 60 if separated employee has 5 years of civilian service credit.	Deferred annuity payable at age 60 if separated employee has 5 years of civilian service credit.	834	FSR provides payment of deferred annuity at age 60.
7. Disposition of contributions in excess of benefits received.	If deceased individual's contributions are not returned in the form of annuity (to individual or his survivors), the unreturned contributions must be paid to a designated beneficiary; or in an order of precedence to widow, children, parents, etc.	If deceased individual's contributions are not returned in the form of annuity (to individual or his survivors), the unreturned contributions must be paid to a designated beneficiary; or in an order of precedence to widow, children, parents, etc.	841	FSR aligns precedence provisions with those of CSR.
D. Creditable service:				
1. Leave without pay.....	Includes: Leave of absence without pay granted during covered employment while performing active honorable military service;	Includes: Leave of absence for active military or naval service.	851	FSR same as CSR.
2. District of Columbia employment.	Leave of absence without pay granted during covered employment while receiving FEC benefits;	Includes leave of absence granted during covered employment while receiving FEC benefits.	----	Do.
3. Transfer of funds.....	Civilian employment with District of Columbia government.	Includes civilian employment with District of Columbia government.	852	Do.
No provision.....		Provides for direct transfer to FSR fund of all regular contributions (with interest) made by officer or employee to other Government retirement system under which previously covered. Funds transfer discharges other system of all benefit obligations based on service involved.	852	
E. Officers recalled or reinstated.....	No provision exactly comparable.	Recomputation of annuity of an officer recalled in the Service and retired a second time.	871	
F. Reemployment of annuitants.....	Any annuitant reemployed after retirement for age or based on voluntary separation or an involuntary separation for cause, or if retired for disability and is age 60 or over at the time of reemployment, retains his full annuity, but the salary of his position must be reduced by the amount of annuity received.	Provides that reemployed Foreign Service annuitants receive full salary of the position appointed plus portion of their annuity which when added to the salary would equal the base salary received at time of retirement from the Foreign Service.	872	FSR provides for potential higher combined income for reemployed Foreign Service annuitants and provides authority to reemploy FSO retired for age.